

UNITED STATES DISTRICT COURT
DISTRICT OF MAINE

UNITED STATES OF AMERICA,

v.

DOUGLAS GORDON.

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Crim. No. 1:19-cr-00007-JAW

17 U.S.C. § 506(a)(1)(B)

18 U.S.C. §§ 2319(a), 2319(c)(1), 2

18 U.S.C. §§ 1341, 2

SUPERSEDING INDICTMENT

The GRAND JURY charges:

COUNT 1

[Criminal Copyright Infringement]

During a 180-day period beginning on about January 21, 2014 and continuing to about June 3, 2014 in the District of Maine, the Defendant,

DOUGLAS GORDON,

did willfully infringe copyrights of motion pictures and did aid and abet in the willful infringement of copyrights of motion pictures by reproducing and distributing or causing the reproduction and distribution of ten (10) or more copies of copyrighted works which have a total retail value of more than \$2,500,

In violation of Title 17, United States Code, Section 506(a)(1)(B) and Title 18, United States Code, Sections 2319(a), 2319(c)(1) and 2.

COUNT 2

[Criminal Copyright Infringement]

During a 180-day period beginning on about July 12, 2016 and continuing to about December 30, 2016 in the District of Maine, the Defendant,

DOUGLAS GORDON,

did willfully infringe copyrights of motion pictures and did aid and abet in the willful infringement of copyrights of motion pictures by reproducing and distributing or causing the reproduction and distribution of ten (10) or more copies of copyrighted works which have a total retail value of more than \$2,500,

In violation of Title 17, United States Code, Section 506(a)(1)(B) and Title 18, United States Code, Sections 2319(a), 2319(c)(1) and 2.

COUNT 3

[Mail Fraud Scheme and Artifice]

Introduction

1. At all times relevant to this Indictment:

a. The Defendant established FindrareDVDs (FRD), Lostmoviesfound (LMF) and Lostmoviefinder (LMFinder) websites to advertise the sale of more than 100 motion pictures in DVD format. FRD, LMF and LMFinder accepted “Mail in” orders by “Regular Mail” as well as “On-line” orders. The cost of each DVD motion picture ranged between \$9.99 and \$24.99.

b. In advertising the sale of more than 100 DVD motion pictures, the Defendant used cover art and movie images without rights or permission, product descriptions, pricing as well as logos as part of the websites in order to provide customers with a belief that the DVDs would be of good quality and give his fraudulent online businesses an appearance of legitimacy.

c. The Defendant used the websites to solicit thousands of orders for DVDs and then fulfilled the orders by reproducing and causing to be delivered by mail digital video disc-recordable (burned DVD) copies of motion pictures to customers from the United States and elsewhere.

d. Some customer orders for DVD motion pictures were delivered by means of the

United States Postal Service (USPS) to a post office box or to a United Parcel Service (UPS) mail box used by the Defendant. The Defendant delivered or caused to be delivered envelopes containing burned DVD copies of motion pictures to USPS facilities in the Bangor, Maine area. The USPS then delivered the envelopes to customers throughout the United States and elsewhere.

e. The Defendant well knew as a result of notification received from copyright owners and others that burned DVD copies of motion pictures were reproduced and distributed without authorization. The Defendant also well knew as a result of complaints received from customers that he had obtained their money by means of fraudulent pretenses, representations, promises, and omissions of material fact.

The Scheme to Defraud

2. From about April, 2014 to about January, 2019 in the District of Maine, the Defendant,

DOUGLAS GORDON,

with the intent to defraud, did devise the scheme and artifice set forth below to obtain money by means of false and fraudulent pretenses, representations, promises, and omissions of material fact (“the scheme to defraud”), or did aid and abet the same. For the purpose of executing or attempting to execute the scheme to defraud, the Defendant did knowingly cause to be delivered by mail according to the direction thereon, burned DVD copies of motion pictures and customer orders for burned DVD copies of motion pictures, or did aid and abet the same.

Purpose of the Scheme to Defraud

3. It was the purpose of the scheme to defraud for the Defendant to unlawfully obtain

money from customers by misleading them with use of fraudulent representations and omissions of material fact to believe they were purchasing authentic motion picture DVDs of good quality when in truth and fact the Defendant caused to be delivered by mail thousands of burned DVD copies of motion pictures of inferior quality.

Acts and Omissions in Execution of the Scheme to Defraud

4. In executing the mail fraud scheme and artifice to defraud, the Defendant committed the affirmative acts and made the omissions of material fact which are described below:

a. The Defendant, using the FRD, LMF and LMFinder websites, devised a scheme to defraud at Brewer, Maine and elsewhere which used the mail for purposes of receiving motion picture DVD orders and distributing burned DVD copies of motion pictures.

b. The Defendant maintained computers, DVD duplicators, blank recordable DVD discs, manila envelopes, white DVD sleeves and mailing labels for the purposes of operating websites, receiving motion picture DVD orders as well as reproducing, selling and distributing burned DVD copies of motion pictures.

c. The Defendant possessed large numbers of recorded motion pictures, including original motion picture VHS cassette tapes, computer files and “master” burned DVD copies, from which copyright-protected motion pictures were transferred to and reproduced or burned without authorization onto DVD-recordable discs.

d. The Defendant -- with use of the motion pictures transferred from VHS cassette tapes to computer files or “master” burned DVD discs -- reproduced, sold and distributed or aided and abetted in the reproduction, sale and distribution to customers by “Regular Mail” burned DVD copies of motion pictures of inferior quality.

e. The Defendant, with use of information displayed on the FRD, LMF and LMFinder websites and with omissions of material fact on the websites, provided his fraudulent online businesses with an appearance of legitimacy and misled customers about the quality of DVD versions of motion pictures.

f. The Defendant knowingly caused USPS delivery of thousands of manila paper envelopes which contained burned DVD copies of motion pictures to customers who having placed an order with use of a FRD, LMF or LMFinder website had expectations of receiving an authentic motion picture in a DVD format of good quality.


g. Despite receiving numerous email messages from owners of copyrights of motion pictures informing him that FRD or LMF was not authorized by the owners or by Federal law to reproduce or distribute their motion pictures, the Defendant falsely stated he possessed copyright permissions, rights or authorities to sell burned DVDs of motion pictures.

h. Despite receiving or being informed of numerous consumer complaints regarding purchases of DVDs of motion pictures in which customers expressed dissatisfaction with FRD or LMF for providing a burned DVD of inferior quality, the Defendant continued advertising, selling, reproducing and distributing large numbers of burned DVDs of motion pictures which were of inferior quality or did aid and abet the same.

All in violation of Title 18, United States Code, Sections 1341 and 2.

A TRUE BILL, this 17th day of April, 2019.

**Signature Redacted – Original on file
with the Clerk's Office**


(Assistant) United States Attorney
District of Maine

Dated at Bangor, Maine this 17th day of April, 2019.